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MBO. Author concludes that MBO can be a useful m				
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U.S. ARMY WAR COLLEGE CARLISLE, PENNSYLVANIA

MANAGEMENT BY OBJECTIVES AN ARMY PERSPECTIVE

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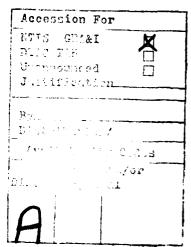
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Research Essay



by

Donald C. Ingram LTC, AD 7 April 1982



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We are, at root, an Army of people not of machines nor policies nor structures. We cannot substitute organizational efficiency for human concern; they are mutually supportive, not interchangeable. Organizational efficiency and effectiveness are necessary for the Army, but human concerns are vital!

Gen. Creighton W. Abrams

Chapter 1

Introduction

The initiative for this essay stems from the recognition of a not so new but exciting concept of management — — management by objectives — — combined with the realization that the Army, for the most part, has not exploited this viable approach to organizational management. And yet the very nature of Army organizations, missions and functions seems to provide a frame—work that could benefit by the MBO technique. That is not to say that MBO is a panacea for better Army management, nor is it intended to imply that it is suitable for all Army organizations at every level of command and management. But, there is no harm in re-evaluating the principles of MBO to see how it may fit into a military management environment.

The MBO theory was introduced in 1954 by Peter F. Drucker in his book, <u>The Practices of Management</u>. Since then many management and behavorial theorists have researched and written on the subject. MBO has been used widely in the private sector with varying degrees of success and within the past 15 years it

has seen use in the public sector as well.

This paper will re-visit the MBO technique with a view towards determining if MBO can be a useful tool in Army management, and if so, should it be formally mandated as Army doctrine or merely advertised as a discretionary technique for use by managers as they see fit.

Chapter 2

MBO and Army Management Philosophy

Drucker's "philosophy of management" best describes what MBO is all about:

What the business enterprise needs is a principle of management that will give full scope to individual strength and responsibility, and at the same time give common direction of vision and effort, establish team work and recognize the goals of the individual with the common weal.

The only principle that can do this is management by objective and self-control. It makes the common weal the aim of every manager. It substitutes for control from the outside the stricter, more exacting and more effective control from the inside. It motivates the manager to action not because somebody tells him to do something or talks him into doing it, but because the objective needs of his task demand it. He acts not because somebody wants him to but because he himself decides that he has to --he acts, in other words, as a free man.

Initial reactions of Army professionals to the above definition of MBO will likely range, at least at first blush, from it can't possibly work in an autocratic organizational structure like the Army to that's the way most commanders (leaders - managers) conduct business anyway - - we just don't call it MBO. When Drucker talks about "common direction of

vision and effort . . . team work and harmonized goals of the individual with the common weal" he is hitting at something the Army understands — mission, purpose, goals and objectives accomplished through team effort. That's really the Army view of the Army management process. These terms and others like decentralization (substitutes for control from the outside), and job satisfaction (he himself acts as a free man taking the initiative because the needs of his task demand it) are common to the process of management in the Army.

The Army's management philosophy is found in Army Regulation 5-1, "Army Management Doctrine" which provides basic policy guidance for management with the Army to include:

- 5. Army Management Policies . . .
- d. Decentralization.
- (1) Delegation of authority commensurate with the assignment of responsibility should be made down to the lowest practicable level within an organization. Lines of authority should be clearly defined so that responsible individuals can be identified and held accountable... g. Objective. Management objectives must be clearly stated, attainable, and make efficient use of available resources. Objectives should be communicated to all levels...
- k. Job Satisfaction. For most persons work itself can be satisfying. Direct personal satisfaction and a sense of achievement can be obtained from doing a meaningful job well . . .
- 1. Recognition. Individuals, groups or organizations making exceptional contributions toward greater productivity . . . should be appropriately recognized by their leaders in a significant way.

This capstone management regulation does not, however, specify the practice of MBO in the Army. And maybe it should

not, but the key elements are present. What is missing is a provision for a relationship allowing for jointly defined common goals by the superior and subordinate managers, the identification of each individuals responsibilities in terms of expected results and the use of these as guides for operating the unit as well as measuring the contribution of each of its members — all fundamental to the MBO philosophy according to George Odiorne. In this context MBO is a process whereby superior and subordinate collectively set organizational goals into common focus allowing for maximum individual initiative to direct efforts on clearly identified results.

Before some of the readership is turned off by ill perceived misconceptions incorporated in the ageless argument that one of the problems with the Army is that we have too many managers and not enough leaders, the relationship between these functions must be set straight for the record. This is important because MBO was conceived for management in the civilian sector where management and supervision portend superior subordinate relationships that are not in the same vein as the command-leadership structure found in the military. Certainly there are unique differences between management and supervision criteria for operating an organization. Within the military the three roles of leading, commanding and managing are essentially identical and integrated functions. However, there are some minor differences in emphasis or primary concern. Commanders, for instance, are most concerned with mission accomplishment and the overall care of personnel and equipment. As a leader, commanders are perhaps more concerned

with individual morale and motivation and the "esprit de corps" of the unit. Notwithstanding, commanders must inherently be managers in order to assure their personnel, material and time resources are efficiently used to accomplish the mission. The concerns of each of these roles apply all the way from top leadership or management down through the chain-of-command to the junior leaders which are the Army's first line supervisors/managers. The term manager will be used throughout this paper, but when used in the military context it means leader and commander as well, interchangeably.

As expressed earlier the Army has not formally endorsed the MBO concept as a management technique. That's not to say it has not been even tried or used with varying degrees of success, because it has. It just means that there is little guidance available in official publications and consequently MBO is not a widespread practice in the Army.

Chapter 3

Motivation

The most common thread found in writings on MBO, and they are numerous, is the motivation factor. The motivation aspect of human behavior seems to be an all important ingredient and a basis for MBO. According to Kurt Lewin in "The Psychology of Success and Failure," "the degree an individual perceives his personal success or failure depends directly on the level to which he aspires." That is, a person feels the

satisfaction of personal achievement only when he believes he has reached the goal or goals he has set for himself. But it works both ways. As Lewin sees it, when goals are not met it results in a lowering of the standard or "level of aspiration." Further, the perceived degree of difficulty of the established goal directly influences the desire for success. As an example, when a person experiences a successful accomplishment his "level of aspiration" is reinforced resulting in his possibly setting higher goals in the future. But if he fails to meet his set goals, he may tend to lower his "level of aspiration." Hence, success or failure depends on achievement. Inherent in this theory is the perceived degree of difficulty as it influences success or failure. When an individual perceives that his goals have been set too high a sense of failure does not necessarily follow when he fails to achieve them. If lower goals are set, e.g., recognized by the individual to be below a reasonable standard or achievement level, then when he attains them there is no real feeling of success. Individuals function in this established framework of their level of aspiration. This framework fluctuates up and down depending upon perceived degree of success or failure.

Motivation is a people concern. There are certain factors that either contribute to motivation or have the opposite effect by degrading initiative. Douglas McGregor puts it in the context of "ego" needs or "self-esteem" needs which are in an area requiring concentration by management. These needs embody needs

for self-confidence, independence, sense of achievement, and a personal desire to be competent, knowledgeable, recognized and appreciated.

Germane to increasing personal motivation is the organizational environment in which the individual works. As McGregor sees it, people are motivated toward higher levels of achievement when management provides a working atmosphere which favorably relates to a persons "self-esteem" needs and enhances his perceived status in the organization through both direct and indirect recognition of his worth. To better explain this McGregor offers his "theory X" and "theory Y" analogy. He believes that "theory X" best describes industrial organizations wherein employees are merely viewed as another resource to be used and exploited in the profit motive game. The "theory X" approach assumes that men must be controlled, manipulated and pushed into action. In this case the motivation to do a good job and to seek advancement are assumed to be pay and other fringe benefits of a monetary nature. This type of environment does not provide latitude for individual initiative and it in effect tends to degrade the potential for individual growth. Many Army organizations operate in the "theory X" model.

"Theory Y", in contrast, portrays an organizational environment in which the individual is given more freedom to be innovative and through his initiative develop and pursue objectives within the framework of the organization's established goals. This management structure offers the opportunity for the

individual to become personally involved in the organization's operation. Also, it makes it possible for him to better identify with the firm and assuming success, his rewards will be in the form of self-satisfaction and accomplishment. Additionally, as his self-confidence is re-enforced and his self-esteem needs are satisfied, he will tend to commit himself more intensely to the organization's goals rather than continually reacting to specified tasks from superiors. The positive result is that a degree of ego satisfaction becomes involved when striving to meet objectives one has had a hand in formulating. 10

Many management experts and scholars have theorized, researched and written on the subject of motivation. Perhaps the best summary of motivation factors resulted from a study conducted by Professor Frederick Herzberg of the University of Utah. His studies conclude that an individual performs best in a goal seeking environment, internally perceived, that relates to his own aspirations. He has a more positive attitude towards his job when he is recognized for achievement. In this context goal achievement provides its own reward and re-enforces aspirations towards a higher level of performance, while failure may have the opposite effect. 11

This brief discussion concerning the theories of motivation provides the basic foundation for the MBO process.

The Army, also has extensively researched and published documents in various forms regarding the motivation factor, particularly as it applies to leadership techniques and command.

The psychological aspects of motivation methods in terms of job satisfaction and personal reward apply in the same fashion to soldiers as they do to civilians.

Chapter 4

Management Environment

MBO capitalizes on human needs and aspirations. emphasizes a management environment where people are given the freedom to act responsibly on their own and planning ahead becomes routine and a natural part of their daily work experience. When Drucker first introduced MBO to the business world he contrasted the management by "self-control" approach with the problems found in "managing by drives." In the "drives" approach reaction to continually changing requirements results in a form of crisis management. Emphasis by management on one "drive" (project) focuses maximum effort and attention in that direction, possibly to the detrement of other projects or activities. People tend to bounce from one "high priority" project to another and there is a loss of continuity. nates begin to tackle one project, only to find priorities have changed and that it is no longer the "hot" issue. Over time under this approach changing directions and priorities are met with resistance. When a real "crisis comes it is treated as just another case of management created hysteria" - - the cry of wolf syndrome. 12 I would call it ad hoc crisis management.

In management by "self-control" Drucker offers an approach by which managers at all levels participate in setting their own goals as they relate to the established purpose of the organization. The communications flow is upward with lower level managers contributing in the formulation of their boss's goals. Then subordinates develop their own goals in support. Crisis situations are reduced since in the process of goal setting they have been anticipated as part of the responsible manager's objective program. As Drucker puts it "the greatest advantage of MBO is that it makes it possible for a manager to control his own performance. Self-control means stronger motivation: a desire to do the best rather than just get by. It means higher performance goals and broader vision."

Chapter 5

Why MBO for the Army

The intent of this study is not to explain the MBO technique in detail but rather to review the basic concept for its relevancy to today's Army management. Nevertheless, it is necessary to briefly discuss the MBO technique in this context.

MBO is more than a firm set of rules, procedures or methods for management. It really involves a particular way of thinking about management that adds vitality to the organization by stressing personal involvement throughout the organizational hierarchy. According to Anthony Raia, MBO is one of the better known management techniques to structure a goal setting process in organizations. He posits that MBO is a management philosophy

consisting of interdependent and interrelated steps. These steps are both logical and simple but because of the complex interaction involved he describes the process best as follows:

Management by objectives is, first of all, a philosophy of management. It is a philosophy which reflects a "proactive" rather than a "reactive" way of managing. The emphasis is on trying to predict and influence the future rather than on responding and reacting by the seat of the pants. It is also a "results-oriented" philosophy of management, one which emphasizes accomplishments and results. The focus is generally on change and on improving both individual and organizational effectiveness. It is a philosophy which encourages increased participation in the management of the affairs of the organization at all levels. Its "participative management" style is one which is consistent with the needs and demands of a modern society.

Management by objectives is also a process consisting of a series of interdependent and interrelated steps: (1) the formulation of clear, concise statements of objectives: (2) the development of realistic action plans for their attainment: (3) the systematic monitoring and measuring of performance and achievement; and (4) the taking of the corrective actions necessary to achieve the planned results. The key elements in the process are "goal setting", "action planning", "self-control", and "periodic progress reviews".

Finally, management by objectives is a <u>system</u> of management designed to facilitate planning and organizational control, organizing and assigning tasks, problem-solving and decision-making, and motivation and self-control, as well as other important management functions and activities. It is a system which lets some of the things an organization is already doing (perhaps chaotically) be done in a logical and systematic way. Activities such as performance appraisal, manager development, compensation, and manpower planning can be meaningfully integrated into the system.

Raia's definition was primarily directed toward the private sector where the profit motive lends itself easily to goal setting and the results oriented nature of MBO. The lack of the profit initiative does not necessarily limit its usefulness in the non-profit service organization environment. Dale McConkey poses a series of questions regarding the organizations to which affirmative answers to some of them might indicate that MBO could be a possible management tool.

- 1. Does the organization have a mission to perform? Is there a valid reason for it to exist?
- 2. Does management have assets (money, people, plant and equipment) entrusted to it?
- 3. Is management accountable to some person or authority for a return on the assets?
- 4. Can the operation be planned?
- 5. Can responsibilities of key personnel be pinpointed?
- 6. Is it possible to evaluate the performance of key personnel?
- 7. Is management receptive to improved methods of operation?

The answer to these questions is generally positive in most military organizations. The overall goal of the Army is to maintain combat, combat support and combat service support units and organizations in the highest possible state of combat readiness. To accomplish this each organization has a mission, resources, and a line of authority or chain-of-command where each soldier is accountable to some higher authority. In all cases operations not only can be planned but for the most part depend on a detailed planning process. Responsibility can

be and in fact is easily pinpointed and personnel performance evaluated. Hopefully, management (leaders/commanders) at all levels is receptive to better ways to get the job done. National security is the obvious answer to the question "Is there a valid reason for it to exist?". On this basis Army organizations are readily identified as candidates for MBO. The infrastructure exists down to the lowest organizational levels. Odiorne puts it into a military perspective in discussing the basic understanding of human behavior:

An often overlooked rule of allegiance is that people center their loyalties around the smallest unit of which they are a member rather than the overall organization. The basic unit for the soldier is the squad, not the armed forces of the free world . . .

This fact has great significance for implementing MBO. It means that objectives must be related to this man, this job, in this unit, this year. Expecting people to be motivated by grand designs and overall global strategies is unrealistic and contrary to political realities.

Developing objectives in the public sector is often more difficult and complex. The Army falls into the public sector model where goal formulation takes a different form than that of private enterprise. Goals in industry are usually stated in terms of the ultimate objectives of "return on investment". Conversely, in the military environment objectives are stated in terms of results. Therefore, formulating objectives requires broader coordination and participation than in the private sector. Even though it is recognized that measuring the attainment of public sector objectives is often more difficult, few meaningful objectives are beyond effective measurement. 17

McConkey emphasized throughout his article that MBO is comparable with and adaptable to all types of organizations to include Department of Defense agencies and activities. 18 Drucker also supports this theory in one of his recent books stating MBO "applies to every manager, whatever his level and functions, and to any organization whether large or small. It insures performance by converting objective needs into personal goals. And this is genuine freedom."

Assuming that the current Army is not totally authoritarian and that Army managers/leaders in general are internally motivated, MBO could prove to be a useful technique. Much work is accomplished in Army organizations in an informal, semi-structured manner through officer-to-officer and noncommissioned officerto-noncommissioned officer relationships. In this respect the proper atmosphere exists for participative management creating an environment that encourages initiative and an innovative approach to problem solving. MBO programs when implemented in industry have proven to facilitate communications between managers and subordinates, in both quality and quantity, regarding responsibilities, objectives, plans and results. 20 Establishing objectives and proper planning to assure accomplishment are key to successful operations. The Army has long been in the business of establishing goals to improve the readiness of combat forces and its equipment and supply objectives require management functions similar to those of industry. There are similarities in the type work done by middle and lower managers in the Army and those at comparable levels in other government

agencies and in industry. The disparity, however, stems from the perception that the Army is a completely structured autocratic organization. This is not exactly the case as discussed above. But it must be clearly understood that even though there is latitude for a MBO participative management process in the Army it takes place in an established, vertically oriented authority system - - a traditional command structure for which there can be no substitute.

Chapter 6

The Army Uses MBO

Personal experience, research and discussions with various Army professionals reveals that MBO is not completely understood by Army managers. Accordingly, it has not been widely used. There is little documented evidence of successful implementation, particularly at lower levels. Nevertheless, some Department of the Army publications encourage the application of MBO principles in Army units. A Spring 1974 Commander's Call featured an article on MBO. This article highlights the benefits of the system for opening effective channels of communication between levels of military management, and as a vehicle for enhancing the decision-making process through its features of participation, joint problem solving, and the delegation of authority to make decisions within the framework of the unit's mission and capabilities. In this manner Department of the Army recognized the concept of MBO for its virtues of self-motivation among subordinates and decentralized decision-making. 21

Another significant example of the Army's endorsement of MBO thinking is the latest Officer Evaluation Reporting System (OERS). OERS is primarily designed for the purpose of performance appraisal but it also has the intent of encouraging officer professional development by establishing a more effective two-way communication between senior and subordinate officers. It works this way. At the beginning of an officer's rating period, the rated officer and his immediate boss define and document his primary duties and responsibilities along with determining his major performance objectives for the rated period. Procedurally, the rated officer's performance in achieving these stated objectives are jointly assessed by him and his rater throughout the period of the report. Changes in his duties, responsibilities and working conditions that could amend his performance objectives are recorded during this review process. At the close of the rating period the rated officer records, as he sees it, his contributions and accomplishments. This recorded information is considered by those in the rating chain in preparing the officer's evaluation report. The new OERS resembles MBO in the respect that it provides a vehicle whereby subordinates participate in establishing their major performance objectives. 22

What OERS does not do is assure that stated objectives are in concert with the organization's objectives nor does it specify that the officer participate in the initial development of the objectives. In this respect OERS only partially conforms to the MBO technique. Another concern is the strong caution MBO

experts make with regard to using MBO strictly for personnel evaluation purposes. In using MBO solely for performance appraisal there is a strong inclination to develop short-term objectives to fit into performance rating schemes instead of encouraging long-term relationship building and promoting long-term goals.²³

Other examples of implementation of MBO in the Army are contained in two fairly recent studies conducted by officer students at Army educational institutions. Both studies failed to turn up solid evidence of MBO programs having been successful over an extended period of time in Army organizations; at least not programs set up in the strictest classical sense. There are instances where forms and refinements of MBO principles have been used experimentally on Army staffs with varying degrees of success. In actuality it more accurately involved fitting certain MBO principles to existing policies and procedures in an attempt to create a more participative management environment. The main problems resulting in failure seem to be a lack of emphasis and active support from the top down, the manner in which the program was initiated and follow-up. Further findings appear to support the conclusion that current Army managers are, in fact, not totally autocratic in their approach to management, but also revealed was the need for training in behavorial management techniques. Another finding, and perhaps the most significant, is an apparent dichotomy between what higher level managers say and what they actually do towards applying some of the behavorial management techniques. 24

There are recognized management problems in service institutions of which the Army is one, and it is incumbent on the armed services to accept the challenge offered by Peter Drucker when he says there are three popular explanations for the common failure of service institutions to perform: *

- -- their managers aren't businesslike:
- -- they need better men:
- -- their objectives and results are intangible

All three are alibis rather than explanations. 25

He further contends:

What the service institutions need is not better people. They need people who do the management job systematically and who focus themselves and their institution purposefully on performance and results. They do need efficiency, that is, control of costs, but above all they need effectiveness, that is emphasis on the right results.

Few service institutions today suffer from having too few administrators; most of them are over-administered, and suffer a surplus of procedures, organization charts, and management techniques. What now has to be learned is to manage service institutions for performance. This may well be the biggest and most important management task in this century.

Drucker's criticisms are well taken and underscore problem areas with which the Army has been continuously grappling. Improved management is critical, especially at a time when larger defense budgets bring the services under closer scrutiny of the Congress and the American people. Some would agree that by virtue of size and complexity the Army cannot be successfully managed and directed without participation of

* NOTE: In this context Drucker is referring to all types of service institutions, not just to the military services.

subordinates in decision making. If this is the case, MBO may be the answer.

Some Army programs, such as Organizational Development which later evolved into Organizational Effectiveness, capitalized on many of the MBO techniques and principles. Also the Battalion Training Management Systems incorporate many of the same MBO processes. The jury is still out on the total effectiveness of these programs. But, it is evident that the Army is not behind the times in considering accepted management practices developed for the private sector. In terms of national defense the stakes are higher and the risks are greater so that any changes in procedures must be carefully evaluated and tested before full acceptance. Before passing final judgment on the utility of MBO in the Army the pitfalls and limitations of the MBO technique must be addressed.

Chapter 7

Limitations

Since the introduction of MBO by Drucker, McGregor and others the technique has been used by a number of firms and public sector organizations. There have been noted successes but there also have been failures which have attracted wide criticism.

Army managers, not unlike managers anywhere, tend to become preoccupied with day-to-day "fire fighting" and hence are not as acutely attuned to long-range problems. This is

particularly true on higher level staffs and in commands where many times "urgent problems become confused with important problems." When managers only see their jobs in terms of day-to-day problem solving they most likely will fail to determine the causes of these problems; and if the causes cannot be identified, goals and objectives cannot be established to correct the problem. Crisis management is inherent throughout the Army where reaction instead of action is often the accepted management style. Implementing MBO in the Army will require a change of view in the way things are to be done.

Bruce Jamison stresses that management style is one of the primary problems associated with MBO from the human behavorial viewpoint. He identifies other behavorial difficulties in implementing MBO: (1) top management support, (2) adapting to changes in organizational structure, (3) authority and control, (4) job description, (5) key results analyzed, (6) writing objectives, (7) problems of measurement, (8) personal objectives, and (9) quality control of the MBO process. He attacks every aspect of MBO because of the attendant behavorial problems. Many of these problems can be overcome but failure to recognize that they exist when implementing a MBO program will doom it to failure before it can get started.

As mentioned earlier, MBO is not a guick cure-all. Even though the basic principles are relatively easy to understand, it must be accepted that to implement, it takes hard work and is time consuming. It is generally accepted that it takes three

to five years or longer depending on the size of the organization to get an MBO program operating successfully. Since personnel turbulence is a fact of life in the Army, despite lengthened command tours and attempts to stabilize key personnel, the time required to implement MBO is a limiting factor that cannot be overlooked. Further, it assumes that an established MBO program, complete with detailed long-range objectives, will be universally accepted by successor manager/supervisors and that there will be a degree of continuity during the transition. This may rarely be the case.

Another significant limitation that impacts directly on the Army is the performance appraisal process discussed earlier. Harry Levison believes that MBO is inherently self-defeating over the long run because performance appraisals are based on a reward-punishment psychology that intensifies the pressure on an individual to accomplish his stated goals while at the same time giving him a very limited choice of objectives. He advises that the processes can be improved by extending them to include group appraisals, appraisal of superiors by subordinates, and by considering the personal goals of the individual first. 30

These recommended improvements represent a radical departure in traditional Army thinking, even in the current more relaxed, less formal management environment. This is especially true in the area of subordinates evaluating superiors.

In sum, McConkey provides a list of twenty reasons for failure of MBO in many organizations. Army managers must carefully consider these pitfalls before implementing MBO or they

will be just spinning their wheels. They are:

- Considering MBO a panacea.
- Lacking participation by subordinates in setting objectives.
- Leaving out staff managers.
- Delegating executive direction of the program.
- Creating a "papermill" with forms and procedures.
- Failing to provide feedback to the individual manager.
- Emphasizing techniques over the procedure.
- Implementing too guickly.
- Failing to reward performance.
- Having objectives that are not supported by adequate plans.
- Failing to revise the system based on experience.
- Being impatient for results.
- Endeavoring to over qualify objectives.
- Stressing objectives instead of the system.
- Dramatizing short-term objectives.
- Omitting periodic reviews of performance.
- Omitting refresher training with respect to refinements of managers new to the system.
- Failing to blend individual objectives into the whole.
- Managing without the necessary "guts".
- Lacking ability or willingness to delegate. 31

This chapter is not meant to discourage Army managers from using MBO. Rather the intent is to point out that there are limitations and pitfalls inherent in the MBO process that must first be compared with some of the unique management constraints found in the Army before implementation.

Chapter 8

Conclusion

MBO is a useful management technique that has been successfully applied in many areas. As illustrated above, it has practical application in both the private and public sectors where it has been credited with improving management performance, management attitudes, and organizational planning.

There are, however, some very real constraints that limit MBO in practice. To make MBO work, it takes time and dedicated effort on the part of knowledgeable managers at all levels who are willing to give their full support to the program and also assume a degree of personnel risk. Further, there are many pitfalls, most of which are inherent in improper use of the technique that must be carefully considered before MBO is implemented in any organization.

The MBO process has many attractive features which are suitable for Army management at almost any level depending upon the particular organization's missions and functions. Before implementation, the MBO process must be assessed in terms of the many distinctly different types of Army organizations and management environments, as well as the different management/leadership/command styles involved in running the organization.

The Army is simply too large and functionally diverse to implement MBO Army-wide as a matter of policy. Nor is there any other single management process appropriate for universal application. Accordingly, Army managers must have the flexibility to determine what system best meets his requirements. Referring again to Army Regulation 5-1, Army management doctrine provides this latitude.

- 5. Army Management Policies.
- m. Management Improvements. Commanders and staff officers will select from the many management improvement techniques available, the ones that provide the highest payoff toward increasing productivity, reducing costs, providing better service and achieving more effective resource utilization.

One final caution is that any management technique used in Army organizations during peacetime must also be functional on the battlefield. If MBO, or any other management technique, fails to meet this criteria, it must be summarily discarded. You can't practice baseball to play football.

ENDNOTES

- Creighton W. Abrams, General, US Army, "Emphasis on Army Readiness," Army, (October 1974), p. 9.
- 2. Peter F. Drucker, <u>The Practice of Management</u>, (New York: Harper and Row, 1954), pp. 135-136.
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